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COUNTY OF STANISLAUS

SINGLE AUDIT REPORT

JUNE 30, 2009

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**COUNTY OF STANISLAUS  
SINGLE AUDIT REPORT  
FOR THE YEAR ENDED JUNE 30, 2009**

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## REPORTS

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON  
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

The Honorable Grand Jury and Board of Supervisors  
Stanislaus County  
Modesto, California

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Stanislaus, California (the County), as of and for the year ended June 30, 2009, which collectively comprise the County's basic financial statements and have issued our report thereon dated December 16, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the County's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.


Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs section as findings 09-01 and 09-02.

We noted certain matters that we reported to management of the County of Stanislaus, California in a separate letter dated December 16, 2009.

This report is intended solely for the information and use of the audit committee, management, Board of Supervisors, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION



Bakersfield, California  
December 16, 2009

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**REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL  
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

The Honorable Grand Jury and Board of Supervisors  
Stanislaus County  
Modesto, California

**Compliance**

We have audited the compliance of the County of Stanislaus, California (the County) with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the County's compliance with those requirements.

As described in items 09-01 and 09-02 in the accompanying schedule of findings and questioned costs, the County did not comply with requirements regarding eligibility that are applicable to its Adoption Assistance (CFDA No. 93.659) and Foster Care (CFDA No. 93.658) Programs. Compliance with such requirements is necessary, in our opinion, for the County to comply with the requirements applicable to these programs.

In our opinion, except for the noncompliance described in the preceding paragraph, the County of Stanislaus complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

#### Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 09-01 and 09-02 to be significant deficiencies.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies, as defined above.

#### Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Stanislaus, California, as of and for the year ended June 30, 2009, and have issued our report thereon dated December 16, 2009. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the audit committee, management, Board of Supervisors, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION



Bakersfield, California  
December 16, 2009

## **SCHEDULE**



**COUNTY OF STANISLAUS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2009**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Catalog of federal domestic assistance number</u>	<u>Supplemental identifying number</u>	<u>Expenditures</u>
<b>U.S. OFFICE OF NATIONAL DRUG CONTROL POLICY</b>			
Passed through Office of National Drug Control Policy (ONDCP)			
High Intensity Drug Traffic Area (HIDTA) 2005	07.xxx	I5PVCVP501	\$ 92,917
High Intensity Drug Traffic Area (HIDTA) 2006	07.xxx	I6PCVP501	653,799
High Intensity Drug Traffic Area (HIDTA) 2007	07.xxx	I7PCVP501	297,928
High Intensity Drug Traffic Area (HIDTA) 2008	07.xxx	I8PCVP502Z	265,543
<b>Total Drug-Free Communities Support Program Grant</b>			<u>1,310,187</u>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
Direct Programs:			
National School Lunch Program	10.555	N/A	215,327
USDA Federal Egg Surveillance	10.025	N/A	2,004
Passed through State Dept of Food & Agriculture:			
Sudden Oak Death	10.025	08-8523-0572-CA	1,624
Inspect Trapping	10.025	08-8520-1051-CA	111,491
Red Imported Fire Ant	10.025	08-8523-0497-CA	20,707
Glassy Winged Sharpshooter	10.025	08-8500-0484-CA	286,249
Light Brown Apple Moth	10.025	08-8520-1164-CA	3,229
Passed through California Department of Aging:			
Seniors Farmers Market Incentive Program	10.576	SFMNP-0809-30	15,000
Passed Through State Department of Education			
Summer Food Service Prog (SFSP)	10.559	CN088019	1,545
Passed through State Department of Aging			
SAWS CIV Food Stamps	10.561 *	N/A	1,000,053
Passed through State Department of Social Services			
Food Stamps - Issuance	10.551 *	N/A	83,506,173
Food Stamps - Administration	10.561 *	N/A	4,782,015
EBT Transition Food Stamps	10.561 *	N/A	6,424
Passed through State Department of Health Services:			
Special Supp Food Program for WIC	10.557 *	05-45805	2,786,078
CNN	10.557 *	06-55118	87,413
<b>TOTAL U.S. DEPT. OF AGRICULTURE</b>			<u>92,825,332</u>
<b>U.S. DEPARTMENT OF HUD</b>			
Passed through State Department of Housing and Community Development:			
HUD-CDBG Funds 04/05	14.228 *	B-04-UC-06-0010	208,413
HUD-CDBG Funds 05/06	14.228 *	B-05-UC-06-0010	259,283
HUD-CDBG Funds 06/07	14.228 *	B-06-UC-06-0010	194,809
HUD-CDBG Funds 07/08	14.228 *	B-07-UC-06-0010	628,238
HUD-CDBG Funds 08/09	14.228 *	B-08-UC-06-0010	702,717
HUD-CDBG NSP Funds 08/09	14.228 *	B-08-UC-06-0100	53,335
HUD-ESG Funds 07/08	14.231	S-07-UC-06-0010	27,458
HUD-ESG Funds 08/09	14.231	S-08-UC-06-0010	109,693
<b>TOTAL U.S. DEPT. OF HUD</b>			<u>2,183,946</u>

\* Major Program

See accompanying notes to schedule of expenditures of federal awards and report on compliance with requirements applicable to each major program and internal control over compliance in accordance with

OMB Circular A-133.

**COUNTY OF STANISLAUS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 2009**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Catalog of federal domestic assistance number</u>	<u>Supplemental identifying number</u>	<u>Expenditures</u>
<b>U.S. DEPARTMENT OF LABOR</b>			
Passed through California Dept of Aging:			
Senior Community Service Employment Program	17.235	TV-0809-30	109,865
ARRA: Senior Community Service Employment Program	17.235	ES-0809-30	581
Passed through California Employment Development Department:			
WIA Mortgage and Banks Layoff	17.260	* R865496-762	13,360
WIA Mortgage and Banks Layoff	17.260	* R970574-762	8,266
WIA-Adult Program	17.258	* R970574-201	503,891
WIA-Adult Program	17.258	* R865496-202	663,549
WIA-Adult Program	17.258	* R970574-202	1,443,376
ARRA: WIA-Adult Program	17.258	* R970574-102	64,811
WIA-Youth Activities	17.259	* R865496-301	1,440
WIA-Youth Activities	17.259	* R865496-302	773,856
WIA-Youth Activities	17.259	* R970574-301	2,360,103
WIA-Youth Activities	17.259	* R970574-103	708,630
WIA-Incentive	17.258	* R865496-113	4,406
WIA-Dislocated Workers	17.260	* R970574-501	697,440
WIA-Dislocated Workers	17.260	* R970574-502	1,548,731
WIA-Dislocated Workers	17.260	* R970574-200	298,312
ARRA: WIA-Dislocated Workers	17.260	* R970574-105	46,960
WIA-Dislocated Workers	17.260	* R865496-501	100,000
WIA-Dislocated Workers	17.260	* R865496-502	245,022
WIA-Dislocated Workers	17.260	* R865496-200	96,301
WIA-15% Dislocated Workers	17.260	* R970574-429	189,967
WIA-25% Dislocated Workers	17.260	* R970574-306	61,845
WIA-Rapid Response	17.260	* R970574-540	89,173
WIA-Rapid Response	17.260	* R970574-541	267,517
ARRA: WIA-Rapid Response	17.260	* R970574-106	215
WIA 15% Central Partnership for San Joaquin Valley	17.258	* R692512-688	2,811
WIA 15% Central Partnership for San Joaquin Valley	17.258	* R865496-688	310,570
<b>TOTAL U.S. DEPT. OF LABOR</b>			<b>10,610,998</b>
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>			
Passed through State Dept of Transportation:			
Highway Planning and Construction	20.301	Contract #75LX078	28,314
Highway Planning and Construction	20.205	Various	4,071,662
Rural Transit and Procurement	20.509	N/A	379,127
Passed through State Office of Emergency Services			
Hazardous Materials Emergency Preparedness Grant	20.703	8033-160	1,859
<b>TOTAL U.S. DEPT. OF TRANSPORTATION</b>			<b>4,480,962</b>
<b>U.S. ENVIRONMENTAL PROTECTION AGENCY</b>			
Passed through State Water Resources Control Board:			
Local Groundwater Protection Pilot	66.606	EP059000206	7,729
<b>TOTAL U.S. ENVIRONMENTAL PROTECTION</b>			<b>7,729</b>

**\* Major Program**

See accompanying notes to schedule of expenditures of federal awards and report on compliance with requirements applicable to each major program and internal control over compliance in accordance with

OMB Circular A-133.

**COUNTY OF STANISLAUS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 2009**

<u>Federal grantor/pass-through grantor/program title</u>	<u>Catalog of federal domestic assistance number</u>	<u>Supplemental identifying number</u>	<u>Expenditures</u>
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>			
Passed through State of Calif Dept of Homeland Security:			
FY07, Homeland Security Grant	97.073	2007-8	801,323
FY07, MMRS	97.071	2007-8	209,157
FY08, Homeland Security Grant	97.073	2008-6	113,421
FY08, MMRS	97.071	2008-6	27,887
Emergency Preparedness Performance Grant	97.042	2008-9	141,756
			<u>1,293,544</u>
<b>TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY</b>			
<b>U.S. DEPARTMENT OF JUSTICE</b>			
Bureau of Justice Assistance (subrecipient)	16.738	N/A	11,180
Victims of Crime Act	16.575	AT06030500	150,000
Passed through Office of Criminal Justice Planning			
Juvenile Accountability Grant 2008	16.523	N/A	28,538
Juvenile Accountability Grant 2007	16.523	N/A	28,248
Juvenile Accountability Grant 2006	16.523	N/A	40,960
Juvenile Accountability Grant 2005	16.523	N/A	25,531
Juvenile Accountability Grant 2004	16.523	N/A	35,934
Juvenile Accountability Grant 2003	16.523	N/A	12,006
Stop Abusive and Violent Environments (SAVE) Grant	16.588	N/A	54,048
Weed & Seed Program	16.595	2008-WS-QX-0014	12,215
Passed through State Office of Emergency Services (OES)			
Elder Abuse Prosecution	16.575	VB08060500	54,535
Victim/Witness Assistance Program	16.575	VW08270500	129,276
			<u>582,471</u>
<b>TOTAL U.S. DEPT. OF JUSTICE</b>			

\* Major Program

See accompanying notes to schedule of expenditures of federal awards and report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133.

**COUNTY OF STANISLAUS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 2009**

<b>Federal grantor/pass-through grantor/program title</b>	<b>Catalog of federal domestic assistance number</b>	<b>Supplemental identifying number</b>	<b>Expenditures</b>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
Passed through California Department of Education:			
Stage 2 Child Care (D)	93.575	C2AP-8071	313,262
Stage 3 Child Care (D)	93.575	C3AP-8070	1,045,394
Stage 3 Child Care (D)	93.956	CAPP-8079	9,892
Passed through State Dept of Social Svcs:			
Temporary Assistance for Needy Families	93.558	N/A	60,812,224
Promoting Safe and Stable Families	93.556	N/A	495,722
Community Based Child Abuse Prevention	93.590	N/A	34,068
Child Support Enforcement	93.563	* 2708/2907/2711	9,872,691
ARRA - Child Support Enforcement	93.563	* 2708/2907/2711	1,356,735
Refugee and Entrant Assistance	93.566	N/A	587,113
Child Welfare Services/CWS Direct Cost IVB	93.645	N/A	328,381
Foster Care - Title IVE	93.658	* N/A	7,219,457
Adoptions Assistance	93.659	* N/A	5,537,351
CWS Title XX	93.667	N/A	1,281,409
Independent Living - ILP	93.674	N/A	174,321
Out-of-Home Placement Prevention - Title IVe	93.658	* N/A	2,164,478
Passed through State Dept of Health Svcs:			
TB Prevention	93.116	N/A	52,341
Family Planning Services Title X	93.217	N/A	176,575
Immunization Project Subvention	93.268	08-85328	199,858
Childhood Lead Poisoning	93.917	08-85097	71,904
Calif Children's Svcs	93.778	* N/A	1,312,156
Maternal & Child Health Services	93.994	2008-50	426,981
Emergency Preparedness	93.283	EPO 0650	925,686
Medi-Cal Administration Activities	93.778	* 03-75094	834,951
Targeted Case Management	93.778	* 50-0712	983,492
Child Health & Disability Program	93.778	* N/A	624,061
Information & Education - Teen Pregnancy Prevention	93.xxx	03-75843	24,899
Passed through California Department of Aging:			
Title VII(B), Elder Abuse Prevention	93.041	AP-0809-30	7,067
Title VII(A), Ombudsman Program	93.042	AP-0809-30	31,131
Title III-D, Supportive Services	93.043	AP-0809-30	26,683
Title III-B, Supportive Services	93.044	AP-0809-30	371,507
Title III-C1, Congregate Nutrition	93.045	AP-0809-30	242,288
Title III-C2 Home Delivered Nutrition	93.045	AP-0809-30	378,728
CBSP Health Insurance Advocacy Program	93.779	AP-0809-30	83,471
Title III-E, Family Caregiver	93.052	AP-0809-30	195,377
Nutrition Services Incentive Program	93.053	AP-0809-30	97,302
SAWS CIV TANF	93.558	N/A	953,262
SAWS CIV Medi-Cal	93.778	N/A	1,629,446
SAWS CIV Refugee	93.566	N/A	631
EBT Transition TANF	93.558	N/A	6,123
EBT Transition Refugee	93.566	N/A	4
Multi-Purpose Senior Services (MSSP) Title XIX	93.778	* MS-0809-14	409,570
ARRA: Congregate Meals	93.707	NS-0809-30	26,231

\* Major Program

See accompanying notes to schedule of expenditures of federal awards and report on compliance with requirements applicable to each major program and internal control over compliance in accordance with

OMB Circular A-133.

**COUNTY OF STANISLAUS**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 2009**

Federal grantor/pass-through grantor/program title	Catalog of federal domestic assistance number	Supplemental identifying number	Expenditures	
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
Passed through State Dept of Mental Health :				
AB3015 SAMHSA/DualDiag SAMHSA	93.958	N/A	2,717,084	
Transition from Homelessness(PATH)	93.150	N/A	136,574	
Passed through State of Calif Dept of Alcohol & Drug Program:				
AIDS/HIV Testing	93.940	07-65089	82,569	
Refugee Health	93.576	08-50-90840-1	217,051	
SAPT Block-Discr/Club/Fri Night/Perinatal/SACPA SAPT/HIV Services	93.959	84.186	3,448,418	
Passed Through State Dept of Social Svcs:				
APS/CSBG Title XIX	93.778	*	N/A	726,404
CWS Title XIX	93.778	*	N/A	1,587,014
State Family Preservation Title XIX	93.778	*	N/A	80,021
In Home Supportive Svcs-PCSP Title XIX	93.778	*	N/A	2,519,314
Public Authority Administration	93.778	*	N/A	662,380
Public Authority Benefits Administration	93.778	*	N/A	1,539,441
IHSS Waiver Title XIX	93.778	*	N/A	1,945,678
IHSS IP Title XIX	93.778	*	N/A	23,902,829
ARRA: IHSS IP Title XIX	93.778	*	N/A	3,763,435
Medi-Cal Title XIX (E)	93.778	*	N/A	10,142,499
TOTAL U.S. DEPT OF HUMAN & HEALTH SVC:			154,794,934	
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 268,090,103	

\* Major Program

See accompanying notes to schedule of expenditures of federal awards and report on compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133.

**COUNTY OF STANISLAUS**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2009**

**NOTE 1 – REPORTING ENTITY**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the County of Stanislaus (the County). The County's reporting entity is defined in Note 1 to the County's basic financial statements. All federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the schedule.

**NOTE 2 – BASIS OF ACCOUNTING**

The accompanying Schedule of Expenditures of Federal Awards is sometimes prepared on a basis other than that used to record transactions in the accounting records and as reported in the basic financial statements (such as cash basis). The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

**NOTE 3 – RELATIONSHIP TO FINANCIAL STATEMENTS**

The amounts reported in the accompanying Schedule of Expenditures of Federal Awards agree, in all material respects, to amounts reported within the County's financial statements. Federal award revenues are reported principally in the County's financial statements as intergovernmental revenues in the General and Special Revenue funds.

**NOTE 4 – SUBRECIPIENTS**

Of the federal expenditures presented in the Schedule of Expenditures of Federal Awards, the County of Stanislaus provided federal awards to subrecipients as follows:

<u>Name of Program</u>	<u>CFDA</u>	<u>Subrecipient</u>	<u>Amount</u>
Title I Adult	17.258	Friends Outside	\$ 282,904
Title I Dislocated Workers	17.260	Friends Outside	10,483
Title I Youth	17.259	Ceres Unified School District	755,115
Title I Youth	17.259	Computer Tutor	466,090
Title I Youth	17.259	Central Valley Opportunity Center	125,826
Title I ARRA - Youth	17.259	Ceres Unified School District	274,838
Title I ARRA - Youth	17.259	Computer Tutor	115,540
Title I ARRA - Youth	17.259	Central Valley Opportunity Center	40,144
Title I ARRA - Youth	17.259	Modesto City Schools	65,943
Title I ARRA - Youth	17.259	City of Patterson	8,850
Medi-Cal Administrative Activities	93.778	Ceres Partnership for Health Children	44,937
Medi-Cal Administrative Activities	93.778	Stanislaus County Public Guardian	10,141
Targeted Case Management	93.778	Stanislaus County Area Agency on Aging	47,467
Targeted Case Management	93.778	Stanislaus County Public Guardian	24,109
C2 Home Delivered Meals	93.045	The Howard Training Center	391,409

**NOTE 4 – SUBRECIPIENTS (Continued)**

Name of Program	CFDA	Subrecipient	Amount
Community Development Block Grant	14-228	City of Ceres	\$ 267,376
Community Development Block Grant	14-228	City of Newman	252,742
Community Development Block Grant	14-228	City of Oakdale	209,855
Community Development Block Grant	14-228	City of Patterson	221,285
Community Development Block Grant	14-228	City of Waterford	240,027
Community Development Block Grant	14-228	Arc of Stanislaus County - Senior Meals	16,000
Community Development Block Grant	14-228	Catholic Charities	20,000
Community Development Block Grant	14-228	Center for Human Services - Ceres Youth	15,570
Community Development Block Grant	14-228	Center for Human Services - Homeless Assist	15,387
Community Development Block Grant	14-228	Center for Human Services - Patterson Teen Ctr	18,263
Community Development Block Grant	14-228	Center for Human Services - Healthy Children	16,000
Community Development Block Grant	14-228	Children's Crisis Center - Nutrition Prog	14,420
Community Development Block Grant	14-228	Habitat for Humanity - Windows of Hope	15,000
Community Development Block Grant	14-228	Healthy Aging - Young at Heart	20,000
Community Development Block Grant	14-228	Parent Resource Ctr - Mother's Parenting	19,760
Community Development Block Grant	14-228	Project Sentinel - Fair Housing Program	40,000
Community Development Block Grant	14-228	Second Harvest - Food Assistance	20,000
Community Development Block Grant	14-228	United Samaritans - Lunch Program	20,000
Community Development Block Grant	14-228	We Care Program - Emergency Shelter	20,000
Community Development Block Grant	14-228	Westside Food Pantry - Emergency Food	16,150
Community Development Block Grant	14-231	Children's Crisis Ctr - Therapeutic Shelter	28,289
Community Development Block Grant	14-231	Comm Housing & Shelter - Homeless Prev	25,000
Community Development Block Grant	14-231	Inter-Faith Ministries - Redwood Family Ctr	18,705
Community Development Block Grant	14-231	Inter-Faith Ministries - Santa Fe Project	39,822
Total			<u>\$ 4,253,447</u>

**NOTE 5 – PROGRAM CLUSTERS**

Federal programs, which must be audited together as a program cluster, include the following:

Federal CFDA	Program Title	Federal Expenditures
<u>Food Stamp Cluster:</u>		
10.551	Food Stamps	\$ 83,506,173
10.561	State Administrative Matching Grants for Food Stamp Program	4,782,015
10.561	Food Stamp Administration - SAWS CIV Food Stamps	1,000,053
10.561	EBT Transition Food Stamps	6,424
10.557	CNN	87,413
10.557	Special Support Food Program for WIC	<u>2,786,078</u>
Total		<u>\$ 92,168,156</u>

**NOTE 5 – PROGRAM CLUSTERS (Continued)**

<u>Federal CFDA</u>	<u>Program Title</u>	<u>Federal Expenditures</u>
<u>Child Nutrition Cluster:</u>		
10.559	Summer Food Service Program (SFSP)	\$ 1,545
10.555	National School Lunch Program	215,327
	<b>Total</b>	<b>\$ 216,872</b>
<u>WIA Cluster:</u>		
17.258	WIA - Adult	\$ 2,928,603
17.258	ARRA: WIA - Adult	64,811
17.259	WIA - Youth	3,844,029
17.260	ARRA: WIA - Dislocated Workers	47,175
17.260	WIA - Dislocated Workers	3,615,934
	<b>Total</b>	<b>\$ 10,500,552</b>
<u>Aging Cluster:</u>		
93.041	Special Programs for the Aging - Title VII, Chapter 3 - Programs for Prevention of Elder Abuse, Neglect and Exploitation	\$ 7,067
93.042	Special Programs for the Aging - Title VII, Chapter 2 - Long-Term Care Ombudsman Services for Older Individuals	31,131
93.043	Special Programs for the Aging - Title III, Part D - Supportive Services	26,683
93.044	Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	371,507
93.045	Special Programs for the Aging - Title III, Part C - Nutrition Services	621,016
93.052	Title III-E - Family Caregiver	195,377
93.053	Nutrition Services Incentive Program	97,302
	<b>Total</b>	<b>\$ 1,350,083</b>
<u>CCDF Cluster:</u>		
93.575	Child Care and Development Block Grant	\$ 1,358,656
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund	9,892
	<b>Total</b>	<b>\$ 1,368,548</b>



**NOTE 6 – PASS-THROUGH ENTITIES' IDENTIFYING NUMBER**

When federal awards were received from a pass-through entity, the Schedule of Expenditures of Federal Awards shows, if available, the identifying number assigned by the pass-through entity. When no identifying number is shown, the County has either determined that no identifying number is assigned for the program or the County was unable to obtain an identifying number from the pass-through entity.

**NOTE 7 – DEPARTMENT OF AGING FEDERAL/STATE SHARE**

The California Department of Aging (CDA) requires agencies who receive CDA funding to display state-funded expenditures discretely along with federal expenditures. The County expended the following state and federal amounts under these grants:

CFDA	Contract No.	Programs		Administration	
		Federal Expenditures	State Expenditures	Federal Expenditures	State Expenditures
17.235	TV-0809-30	\$ 109,865	\$ -	\$ -	\$ -
17.235	ES-0809-30	581	-	-	-
93.041	AP-0809-30	7,067	-	-	-
93.042	AP-0809-30	31,131	-	-	-
93.043	AP-0809-30	26,683	-	-	-
93.044	AP-0809-30	371,507	-	52,572	-
93.045	AP-0809-30	242,288	24,243	56,520	310
93.045	AP-0809-30	378,728	12,681	29,563	83
93.052	AP-0809-30	195,377	-	22,601	-
93.053	AP-0809-30	97,302	-	-	-
93.779	AP-0809-30	83,471	164,532	8,344	9,265
10.576	SFNP-0809-30	15,000	-	-	-
93.707	NS-0809-30	26,231	-	-	-
	Ombudsman Initiative - AP-0809-30	-	23,471	-	-
	CBSP Community Based Services	-	-	-	-
	Programs AP-0809-30	-	317,710	-	34,510
TOTAL		\$ 1,585,231	\$ 542,637	\$ 169,600	\$ 44,168

**NOTE 8 – OFFICE OF EMERGENCY SERVICES GRANTS**

The following represents expenditures for Office of Emergency Services programs for the year ended June 30, 2009. The amount reported in the Schedule of Expenditures of Federal Awards is determined by calculating the federal portion of the current year expenditures.

Program	Expenditures Claimed			Share of Expenditures Current Year		
	For the Period Through June 30, 2008	For the Year Ended June 30, 2009	Cumulative As of June 30, 2009	Federal Share	State Share	County Share
<b>MH07070500 - CalMet</b>						
Personal services	\$ 88,981	\$ -	\$ 88,981	\$ -	\$ 52,233	\$ 36,748
Operating expenses	13,396	-	13,396	-	13,396	-
Equipment	-	-	-	-	-	-
Totals	\$ 102,377	\$ -	\$ 102,377	\$ -	\$ 65,629	\$ 36,748

**NOTE 8 – OFFICE OF EMERGENCY SERVICES GRANTS (Continued)**

Program	Expenditures Claimed			Share of Expenditures Current Year		
	For the Period Through June 30, 2008	For the Year Ended June 30, 2009	Cumulative As of June 30, 2009	Federal Share	State Share	County Share
<b><u>MH08080500 - CalMet</u></b>						
Personal services	\$ -	\$ 194,747	\$ 194,747	\$ -	\$ 194,747	\$ -
Operating expenses	-	195,450	195,450	-	195,450	-
Equipment	-	7,134	7,134	-	-	7,134
Totals	<u>\$ -</u>	<u>\$ 397,331</u>	<u>\$ 397,331</u>	<u>\$ -</u>	<u>\$ 390,197</u>	<u>\$ 7,134</u>
<b><u>DC08190500 - SDEA</u></b>						
Personal services	\$ -	\$ 178,874	\$ 178,874	\$ 46,682	\$ -	\$ 132,192
Operating expenses	-	-	-	-	-	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ -</u>	<u>\$ 178,874</u>	<u>\$ 178,874</u>	<u>\$ 46,682</u>	<u>\$ -</u>	<u>\$ 132,192</u>
<b><u>DC04150500 - Stanislaus Anti-Drug</u></b>						
Personal services	\$ 76,826	\$ 106,550	\$ 183,376	\$ 38,104	\$ -	\$ 68,446
Operating expenses	-	-	-	-	-	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ 76,826</u>	<u>\$ 106,550</u>	<u>\$ 183,376</u>	<u>\$ 38,104</u>	<u>\$ -</u>	<u>\$ 68,446</u>
<b><u>RU08100500 - Rural Crimes</u></b>						
Personal services	\$ -	\$ 169,932	\$ 169,932	\$ 169,932	\$ -	\$ -
Operating expenses	-	3,235	3,235	3,235	-	-
Other Charges	-	32,423	32,423	32,423	-	-
Totals	<u>\$ -</u>	<u>\$ 205,590</u>	<u>\$ 205,590</u>	<u>\$ 205,590</u>	<u>\$ -</u>	<u>\$ -</u>
<b><u>RU07090500 - Rural Crimes</u></b>						
Personal services	\$ 7,953	\$ -	\$ 7,953	\$ -	\$ 167,156	\$ -
Operating expenses	9,942	-	9,942	-	5,516	-
Equipment	-	-	-	-	32,918	-
Other Charges	231,002	205,590	436,592	-	-	-
Totals	<u>\$ 248,897</u>	<u>\$ 205,590</u>	<u>\$ 454,487</u>	<u>\$ -</u>	<u>\$ 205,590</u>	<u>\$ -</u>
<b><u>VB08060500 - Vertical Prosecution Block</u></b>						
Personal services	\$ 345,227	\$ 377,531	\$ 722,758	\$ -	\$ 255,039	\$ 126,182
Operating expenses	6,285	3,690	9,975	-	-	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ 351,512</u>	<u>\$ 381,221</u>	<u>\$ 732,733</u>	<u>\$ -</u>	<u>\$ 255,039</u>	<u>\$ 126,182</u>

**NOTE 8 – OFFICE OF EMERGENCY SERVICES GRANTS (Continued)**

VW08270500 - Victim Witness

Personal services	\$ 343,769	\$ 314,740	\$ 658,509	\$ 129,276	\$ 183,606	\$ 2,268
Operating expenses	14,118	786	14,904	-	376	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ 357,887</u>	<u>\$ 315,526</u>	<u>\$ 673,413</u>	<u>\$ 129,276</u>	<u>\$ 183,982</u>	<u>\$ 2,268</u>

EA08110500 - Elder Abuse Prosecution

Personal services	\$ 63,964	\$ 67,233	\$ 131,197	\$ 67,214	\$ -	\$ (19)
Operating expenses	15,122	20,522	35,644	20,522	-	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ 79,086</u>	<u>\$ 87,755</u>	<u>\$ 166,841</u>	<u>\$ 87,736</u>	<u>\$ -</u>	<u>\$ (19)</u>

VCGC7083 - Victim Compensation and Government Claims Board

Personal services	\$ 59,897	\$ 60,040	\$ 119,937	\$ -	\$ 60,122	\$ -
Operating expenses	225	82	307	-	-	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ 60,122</u>	<u>\$ 60,122</u>	<u>\$ 120,244</u>	<u>\$ -</u>	<u>\$ 60,122</u>	<u>\$ -</u>

PU08060500 - Violence Against Women

Personal services	\$ 56,252	\$ 63,852	\$ 120,104	\$ 47,890	\$ -	\$ 15,962
Operating expenses	-	-	-	-	-	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ 56,252</u>	<u>\$ 63,852</u>	<u>\$ 120,104</u>	<u>\$ 47,890</u>	<u>\$ -</u>	<u>\$ 15,962</u>

**NOTE 9 – DEPARTMENT OF CORRECTIONS AND REHABILITATION GRANTS**

The following represents expenditures for the Department of Corrections and Rehabilitation programs for the year ended June 30, 2009. The amount reported in the Schedule of Expenditures of Federal Awards is determined by calculating the federal portion of the current year expenditures.

Program	Expenditures Claimed			Share of Expenditures Current Year		
	For the Period Through June 30, 2008	For the Year Ended June 30, 2009	Cumulative As of June 30, 2009	Federal Share	State Share	County Share
<u>CSA 965-06 - MIOCR</u>						
Personal services	\$ 638,508	\$ 146,591	\$ 785,099	\$ -	\$ 140,121	\$ 6,470
Operating expenses	132,153	15,086	147,239	-	782	14,304
Equipment	34,339	-	34,339	-	-	-
Totals	<u>\$ 805,000</u>	<u>\$ 161,677</u>	<u>\$ 966,677</u>	<u>\$ -</u>	<u>\$ 140,903</u>	<u>\$ 20,774</u>

**NOTE 10 – DEPARTMENT OF JUSTICE GRANTS**

The following represents expenditures for the Department of Justice programs for the Year ended June 30, 2009.

Program	Expenditures Claimed			Share of Expenditures Current Year		
	For the Period Through June 30, 2008	For the Year Ended June 30, 2009	Cumulative As of June 30, 2009	Federal Share	State Share	County Share
<b><u>06SA13B035 SAPP</u></b>						
Personal services	\$ 229,061	\$ -	\$ 229,061	\$ -	\$ -	\$ -
Operating expenses	2,288	-	2,288	-	-	-
Equipment	-	-	-	-	-	-
Totals	<u>\$ 231,349</u>	<u>\$ -</u>	<u>\$ 231,349</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## **FINDINGS AND QUESTIONED COSTS**

**COUNTY OF STANISLAUS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2009**

**Section 1**

Financial Statements

Summary of Auditor's Results

- |   |               |
|---|---------------|
| 1. Type of auditor's report issued:   | Unqualified   |
| 2. Internal controls over financial reporting:                                      |               |
| a. Material weaknesses identified?  | No            |
| b. Significant deficiencies identified<br>not considered to be material weaknesses? | None Reported |
| 3. Noncompliance material to financial statements noted?                            | No            |

Federal Awards

- |   |                                       |
|---|---------------------------------------|
| 1. Internal control over major programs:  |                                       |
| a. Material weaknesses identified?  | No                                    |
| b. Significant deficiencies identified<br>not considered to be material weaknesses?   | Yes                                   |
| 2. Type of auditor's report issued on compliance<br>for major programs:   | Qualified                             |
| 3. Any audit findings disclosed that are required to be<br>reported in accordance with Circular OMB A-133,<br>Section 510(a)? | Yes<br>See items 09-01 through 09-02. |
| 4. Identification of major programs:  |                                       |

CFDA Number

Program

93.659

Adoption Assistance

93.563

Child Support Enforcement,  
Including ARRA Grant

93.658

Foster Care, Including ARRA  
Grant

*Food Stamp Cluster:*

10.551

Food Stamps – Issuance  
State Administrative Matching  
Grants for Food Stamp  
Program

10.561

10.561

Food Stamp Administration –  
SAWS CIV Food Stamps

10.561

EBT Transition Food Stamps

10.557

Special Support Food Program for  
WIC

10.557

CNN

93.778

Medical Assistance, Including  
ARRA Grant

14.228

Community Development Block  
Grant

17.260

Workforce Investment Act

**COUNTY OF STANISLAUS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)  
YEAR ENDED JUNE 30, 2009**

*WIA Cluster:*

17.258	WIA – Adult Program, Including ARRA Grant
17.259	WIA – Youth Activities
17.260	WIA – Dislocated Workers, Including ARRA Grant

- |  |             |
|--|-------------|
| 5. Dollar threshold used to distinguish between<br>Type A and Type B programs?       | \$3,000,000 |
| 6. Auditee qualified as a low-risk auditee under<br>OMB Circular A-133, Section 530? | No          |

**Section 2**

Financial Statement Findings

None.

**Section 3**

Federal Award Findings and Questioned Costs

**09-01**

**Program:** Adoption Assistance

**CFDA No.:** 93.659

**Federal Agencies:** U.S. Department of Health and Human Services

**Passed-through:** California Department of Health Services

**Award Numbers:** Various

**Award Year:** Fiscal year 2008/2009

**Compliance Requirement:** Eligibility

**Questioned Costs:** \$0

**Criteria:**

The *March 2009 OMB Circular A-133 Compliance Supplement* requirements for eligibility state that the pass-through entity must determine whether required eligibility determinations were made, that individual/group program participants were determined to be eligible, and that only eligible individuals or groups of individuals participated in the program, and determine whether federal program awards were made only to eligible participants.

**Condition Found:**

Out of the 40 participants selected for eligibility test work, we noted the following:

- 5 case files where the County failed to sign the AAP-4 Form as required for all cases after 2001. The AAP-4 Form is use for the verification of Adoption Assistance benefits.

**Effect:**

Ineligible participants may be receiving benefits.

**COUNTY OF STANISLAUS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)**  
**YEAR ENDED JUNE 30, 2009**

**Recommendation:**

We recommend that the County follow established formal policies and procedures with regards to ongoing eligibility determination requirements in order to ensure that eligibility determinations are being performed within the specified timeframe and that all documents are authorized and signed. This will help ensure the accuracy of the participant data.

**Views of Responsible Officials:**

Although the AAP-4 forms were not signed, there were no ineligible cases. The condition evolved from the fact that the Foster Care Unit experienced significant staff turnover in the past 18 months, including a new supervisor and four new workers. To strengthen existing procedures, the Foster Care Unit is working on a Procedures Folder that will have a check list of all required forms, given the specifics of the individual cases and programs. In addition, the unit will have a folder that provides examples and samples of all the necessary forms and how they should be completed.

A Policy Action Memo will be released regarding the above procedures in October 2009. The staff will be trained on the Policy Action Memo and the Foster Care/AAP Procedures guide.

We are also working on succession training so that the Foster Care Unit will be prepared for future staff promotions and movements.

**09-02**

**Program:** Foster Care

**CFDA No.:** 93.658

**Federal Agency:** U.S. Department of Health and Human Services

**Passed-through:** California Department of Health Services

**Award Numbers:** Various

**Award Year:** Fiscal year 2008/09

**Compliance Requirement:** Eligibility

**Questioned Costs:** \$0

**Criteria:**

The March 2009 OMB Circular A-133 Compliance Supplement requirements for eligibility state that the pass-through entity must determine whether required eligibility determinations were made, that individual/group program participants were determined to be eligible, and that only eligible individuals or groups of individuals participated in the program, and determine whether federal program awards were made only to eligible participants.

**Condition Found:**

Out of the 40 case files selected for eligibility test work, we noted the following:

- 6 case files whereby the County did not have a FC 3 A Form, a mandatory component of determining eligibility.

**Effect:**

Ineligible participants may be receiving benefits.



**COUNTY OF STANISLAUS**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)**  
**YEAR ENDED JUNE 30, 2009**

**Recommendation:**

We recommend that the County follow established formal policies and procedures with regards to initial and ongoing eligibility determination, required documentation, and maintenance of participant file and ensure that such policies and procedures are formally documented and strictly adhered to by County personnel. This will help ensure the accuracy of the participant data and that eligibility determinations are supported by the proper documentation in the participant file.

**Views of Responsible Officials:**

**Response:**

Although there were missing FC 3 A forms, there were no ineligible cases. System improvements will help avoid this condition in the future. C-IV, our production system, now has the FC 3 form built into the process of creating a Foster Care case. The process involves using a FC 3A form as the actual work sheet for the FC 3. We are now completing this form and imaging it into the C-IV system. To strengthen our existing Procedures, the unit is working on a Procedures Folder that will have a check list of all required forms, given the specifics of the individual cases and programs. In addition, the unit will have a folder that provides examples and samples of all the necessary forms and how they should be completed.

A Policy Action Memo will be released defining the procedures in October 2009. The staff will be trained on the Policy Action Memo and Foster Care Procedures guide.

We are also working on succession training so that the unit will be prepared for future staff promotions and movement.

**COUNTY OF STANISLAUS  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2009**

None.